



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0169	Title:	Uniform public complaint process
Primary Sponsor:	Lange, M.	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$235,381	\$114,631	\$117,497	\$120,435
State Special Revenue	\$69,335	\$65,760	\$67,404	\$69,089
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>(\$235,381)</u>	<u>(\$114,631)</u>	<u>(\$117,497)</u>	<u>(\$120,435)</u>

Description of fiscal Impact:

The Department of Justice would require one investigator and associated operating expenses to handle complaints made to the attorney general's office. The Department of Public Health and Human Services would require an administrative support position to monitor and track all complaints filed with DPHHS. In addition, the agency would need to develop a computer system to track and report on complaints filed with DPHHS. The Department of Transportation would require one additional Lead Auditor due to an increased volume of reviews and investigations done by the Internal Audit Unit. All other state agencies anticipate being able to accommodate the new statute within existing resources

FISCAL ANALYSIS

Assumptions:

Department of Justice (DOJ)

1. The Division of Criminal Investigation currently receives at least two allegations of illegal activity per week. Two complaints times 52 weeks equals over 100 complaints per year – prior to this legislation.
2. All complaints must be screened to determine if the allegation is in violation of the law.

3. Assuming that 50 percent of the complaints are found to be criminal in nature and a thorough investigation is necessary, 50 investigations will be conducted per year.
4. An acceptable caseload for a criminal investigator at any given time is 10.
5. Assuming that all assigned cases can be investigated and closed in 90 days (as the legislation states) one investigator can handle 40 cases per year.
6. The Division of Criminal Investigation will require one investigator, at a minimum to handle complaints made to the Attorney General.
7. Salary and benefits for one investigator equal \$51,617 in FY 2008 and FY 2009.
8. Initial set-up expenses for one investigator is \$22,775 – including computer (\$1,400), new employee office package (\$1,375), law enforcement equipment (\$2,000) and vehicle (\$18,000).
9. Ongoing operating expenses for one investigator including travel, supplies, and communications costs total \$11,309 for FY 2008.

Department of Health and Human Services (DPHHS)

10. DPHHS receives approximately 8,000 complaints per year agency wide. Programs within DPHHS currently track complaints based on several factors, including federal regulations pertaining to programs. These complaints are not kept in a single source location for tracking of consideration or response.
11. It is estimated that it would require 1.00 FTE administrative support position to monitor and track all complaints filed with DPHHS. This position would provide administrative and coordination support for DPHHS related to complaint filing and resolution. The position will be supervised by an existing employee. Total costs for personal services including salaries, benefits are estimated to be \$33,147 in FY 2008 and FY 2009, \$33,976 in FY 2010 and \$34,825 in FY 2011.
12. It is estimated that the operating costs for one new employee includes the new employee office package of \$1,375 and computer equipment of \$1,400 in FY 2008 only, and on going operating costs such as rent and supplies of \$1,758 in each year.
13. It is assumed that DPHHS will need to develop a computer system to track and report on complaints filed with DPHHS as a result of this bill. The system must be sophisticated enough to be able to incorporate the needs of the various programs for tracking and recording the complaints and resolutions, and maintain confidentiality. Additionally, the system must have the capability to create and run reports in formats useful to the various programs. It is estimated that the design and development of this system will take a programmer 1,000 hours at a cost of \$112 per hour for a development cost of \$112,000 in FY 2008.
14. It is estimated that it will take 150 hours per year for maintenance of this system at \$112 per hour for FY 2009. Estimated maintenance costs would be \$16,800 in FY 2009, \$17,220 in FY 2010, \$17,651 in FY 2011.
15. Funding is estimated to be 100 percent general fund as many federal programs will consider this above the normal administrative function. Other funds that may be used to support this function are difficult to estimate as the funding is dependent upon which program the complaint was made.

Department of Transportation (MDT)

16. The Bill would increase the volume of reviews and investigations done by the Internal Audit Unit requiring 1.00 FTE a Lead Auditor at a cost for salary and benefits of \$65,760.
17. The requirement for a 45 day response time will require additional commitment of resources.

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
Department of Justice (DOJ)				
FTE	1.00	1.00	1.00	1.00
<u>Expenditures:</u>				
Personal Services	\$51,617	\$51,617	\$52,907	\$54,230
Operating Expenses	\$16,084	\$11,309	\$11,592	\$11,882
Equipment	\$18,000	\$0	\$0	\$0
TOTAL Expenditures	<u>\$85,701</u>	<u>\$62,926</u>	<u>\$64,499</u>	<u>\$66,112</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$85,701	\$62,926	\$64,499	\$66,112
 Department of Public Health and Human Services				
FTE	1.00	1.00	1.00	1.00
<u>Expenditures:</u>				
Personal Services	\$33,147	\$33,147	\$33,976	\$34,825
Operating Expenses	\$116,533	\$18,558	\$19,022	\$19,497
TOTAL Expenditures	<u>\$149,680</u>	<u>\$51,705</u>	<u>\$52,998</u>	<u>\$54,323</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$149,680	\$51,705	\$52,998	\$54,323
 Department of Transportation				
FTE	1.00	1.00	1.00	1.00
<u>Expenditures:</u>				
Personal Services	\$65,760	\$65,760	\$67,404	\$69,089
Operating Expenses	\$3,575	\$0	\$0	\$0
TOTAL Expenditures	<u>\$69,335</u>	<u>\$65,760</u>	<u>\$67,404</u>	<u>\$69,089</u>
<u>Funding of Expenditures:</u>				
State Special Revenue (02)	\$69,335	\$65,760	\$67,404	\$69,089
 <u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$235,381)	(\$114,631)	(\$117,497)	(\$120,435)
State Special Revenue (02)	(\$69,335)	(\$65,760)	(\$67,404)	(\$69,089)

Technical Notes:**Department of Health and Human Services (DPHHS)**

1. There are federal (Code of Federal Regulations – CFR) and state regulations to address complaints related to program administration. These include formal and informal complaint resolution systems. Many define the process for which a complaint and appeal is to be done, and in certain programs the systems to be used, such as a national tracking system. Additionally, DPHHS is subject to the Fair Hearing Process for many of its adverse decisions. This bill may inadvertently conflict with other requirements related to complaint resolution and the current format is insufficient for many federal regulations.
2. Current federal and state regulations require programs to inform their clients of the grievance or appeal process as defined by those regulations. Additionally, contractors and providers are also made aware of the appeal process relating to each program. Adding a unified formal complaint would interject a new level of complaint response time frames.
3. Many of the activities in the department are confidential and covered by the Health Insurance Portability and Accountability Act (HIPPA) and other federal laws involving confidential information. Additional security would need to be developed to ensure confidentiality. The Uniform Public Complaint Form may need to be modified to allow for the release of confidential information to the department or the investigator.
4. Programs receive both telephone and written complaints. Having a formal written process is often not expedient in certain situations where a child or client's health or safety is at risk
5. Definitions of complaints are too broad and may result in filing where the person complaining does not have a reasonable reason to grieve, the complaint may be related to issues that the department has no influence over

Department of Transportation (MDT)

6. This bill does not define complaint. Without the definition it is difficult to determine the impact.

Sponsor's Initials

Date

Budget Director's Initials

Date